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## FAA BUDGET PROPOSAL SEEKS SHARPLY INCREASED SPENDING AUTHORITY

Reagan Administration FAA budget proposal announced last week calls for sharply increased spending—primarily from the Aviation Trust Fund—for the agency's airspace modernization program and airport grants. It is the first FAA budget request in at least 10 years that approaches authorized spending levels and does not include proposals for increases in aviation user taxes.

Industry reaction to the proposal, which calls for FAA spending to jump from $4.6 billion in the current year to $5.6 billion in fiscal 1985, was generally favorable. Facilities and equipment spending request jumped from $750 million for this year to $1.6 billion in fiscal 1985, an indication of the Administration's intent to follow through with major investments necessary to implement the airspace modernization program. In addition, airport spending would jump to $987 million in fiscal 1985, an increase of nearly $300 million over last year's request but about the same as the $994 million finally approved by Congress. Spending for the agency's operations and maintenance would increase slightly from $2.6 billion this year to $2.7 in fiscal 1985, including $1.7 billion from the Trust Fund. Overall, Trust Fund revenues would pay for $4.6 billion of FAA's expenses, or approximately 82 percent of the agency's entire budget *(see chart on the back of Page 42).*

Despite the increased spending proposals and favorable industry reaction, enactment of the $5.6 billion FAA budget faces some obstacles. Even though the major portion of funding is coming from the Trust Fund, Congress may attempt to reduce some agency programs because of growing political concern over the national deficit. There are also likely to be questions about whether FAA can effectively obligate that much money in fiscal 1985 and an attempt may be made to slip some funding to later years. Congressional hearings on the budget are scheduled to get underway this Wednesday when Transportation Secretary Elizabeth Dole appears before Rep. William Lehman's (D-Fla.) transportation appropriations subcommittee.

## FLIGHT/DUTY TIME LIMITS DETAILED IN FAA DRAFT PROPOSAL

Major airlines and scheduled commuter carriers would operate under the same basic flight and duty time regulations under a draft proposal issued last week by FAA. The proposal—which will be the subject of discussion at a two-day meeting before an industry-wide advisory committee on Feb. 14-15—provides some flexibility in the standards to permit operators to exceed basic flight time limits under some circumstances. In addition, the proposal would impose minimum pilot rest requirements for all 121 and 135 carriers and set weekly, monthly and annual flight hour limits for 135 pilots for the first time.

The timing and parameters of the draft are in line with what FAA officials said last year *(BA, Dec. 5/177).* The proposal would eliminate the concept of duty time, specifying only requirements for flight hours (block to block) and rest periods. The draft issued last week is the latest in a series of attempts by FAA to develop a basic standard for the entire industry, but it is not clear whether it will be acceptable to all segments of the industry. There were reports last week of concerns by several organizations about some sections of the draft proposal.

Carriers operating under Part 121 would be limited to scheduling pilots: 1,000 flight hours in any calendar year; 100 hours in any calendar month; 30 hours in any seven consecutive days. Rest requirements

*(Continued on the following page)*

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# FEDERAL AVIATION ADMINISTRATION PROPOSED BUDGET FY 1985

[In millions of dollars]

| | 1983 actual | 1984 est. | 1985 est. |
|---|---|---|---|
| Budget authority: | | | |
| Operations | 2,578 | 2,599 | 2,722 |
| Trust fund | (1,277) | ..... | (1,763) |
| Facilities, engineering and development | 18 | ..... | ..... |
| Metropolitan Washington airports | 43 | 49 | 49 |
| Grants-in-aid for airports (trust) | 800 | 994 | 987 |
| Facilities and equipment (trust) | 625 | 750 | 1,657 |
| Research, engineering and development (trust) | 103 | 263 | 269 |
| Aircraft purchase loan guarantee program | 102 | [1]8 | ..... |
| Total net | 4,270 | 4,663 | 5,685 |
| Program level: | | | |
| Operations | 2,621 | 2,614 | 2,722 |
| Trust fund | (1,272) | (5) | (1,763) |
| Facilities, engineering and development | 21 | 4 | ..... |
| Metropolitan Washington airports | 47 | 58 | 49 |
| Grants-in-aid for airports (trust) | 789 | 800 | 987 |
| Facilities and equipment (trust) | 349 | 549 | 971 |
| Research, engineering, and development (trust) | 103 | 270 | 269 |
| Aviation insurance revolving fund | −2 | −3 | −3 |
| Aircraft purchase loan guarantee program | 102 | [1]8 | ..... |
| Total net | 4,031 | 4,301 | 4,996 |
| Outlays: | | | |
| Operations | 2,495 | 2,609 | 2,666 |
| Trust fund | (1,020) | (257) | (1,763) |
| Facilities, engineering and development | 15 | 8 | 2 |
| Metropolitan Washington airports | 46 | 58 | 53 |
| Grants-in-aid for airports (trust) | 453 | 800 | 810 |
| Facilities and equipment (trust) | 248 | 400 | 653 |
| Research, engineering and development (trust) | 71 | 192 | 252 |
| Aviation insurance revolving fund | −2 | −3 | −3 |
| Aircraft purchase loan guarantee program | 79 | [1]31 | ..... |
| Total net | 3,404 | 4,096 | 4,433 |

[1] Includes $8 million program supplemental.